



**Second Quarter 2019  
Financial Results**

1 August 2019

2019

# BUSINESS MILESTONES



Jan

- Disposal of Interest in **Carl Karcher Enterprises (Cayman) Ltd**
- **Acquisition** of 25% Interest in **Food Republic Guangzhou F&B Management Co Ltd**
- Opened **Beijing's 1st Song Fa Bak Kut Teh** outlet at APM Mall
- Opened **Indonesia's 1st Toast Box** outlet in Jakarta

Mar

- Opened **Thailand's 1st Song Fa Bak Kut Teh** outlet at Central World, Bangkok

Apr

- **Acquisition** of Strategic Interest in **NPPG (Thailand) Public Company Limited**
- Establishment of **S\$500 million Multicurrency Medium Term Note Programme**

May

- Partnership with **Song Fa Holdings** for **Taiwan Market Expansion**
- Opened **Singapore's 1st Wu Pao Chun** outlet in Capitol Piazza
- Opened **Guangzhou's 1st Song Fa** outlet in Parc Central

## S\$321.0m

### 1H19 REVENUE

▲ 7.9%

## S\$2.3m

### 1H19 PATMI

▼ 35.3%



# Bakery

# Food Atrium



# Restaurant

# 4orth



# BRANDS and OUTLETS

## Portfolio of Directly Managed BRANDS

### Bakery

### Food Atrium

### Restaurant

### 4orath

## OUTLET Distribution by BUSINESS

Segment	2Q19	1Q19	Net ▲▼	FY18	Net ▲▼
<b>Bakery</b>	<b>875</b>	<b>857</b>	<b>18</b>	<b>863</b>	<b>12</b>
Direct Operated Stores	270	264	6	221	49
Franchise	605	593	12	642	(37)
<b>Food Atrium</b>	<b>63</b>	<b>61</b>	<b>2</b>	<b>60</b>	<b>3</b>
Food Courts	55	55	-	55	-
Direct Operated Restaurants	8	6	2	5	3
<b>Restaurant</b>	<b>32</b>	<b>30</b>	<b>2</b>	<b>28</b>	<b>4</b>
Din Tai Fung	32	30	2	28	4
<b>4orath</b>	<b>21</b>	<b>14</b>	<b>7</b>	<b>12</b>	<b>9</b>
Sō	5	5	-	5	-
TaiGai	1	1	-	1	-
Nayuki	2	1	1	1	1
Song Fa Bak Kut Teh	10	6	4	4	6
Wu Pao Chun	3	1	2	1	2
<b>Total</b>	<b>991</b>	<b>962</b>	<b>29</b>	<b>963</b>	<b>28</b>

Note: Din Tai Fung, Song Fa Bak Kut Teh, Wu Pao Chun, Tai Gai and Nayuki are franchised brands.

2Q19

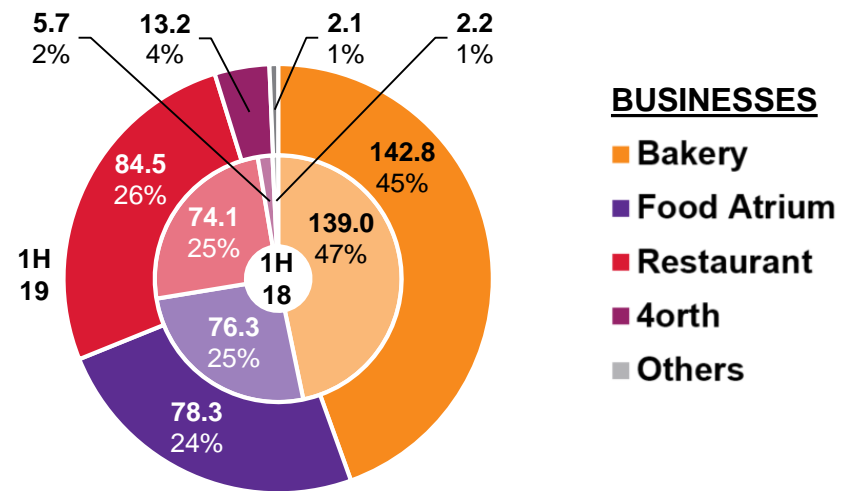
# FINANCIAL HIGHLIGHTS



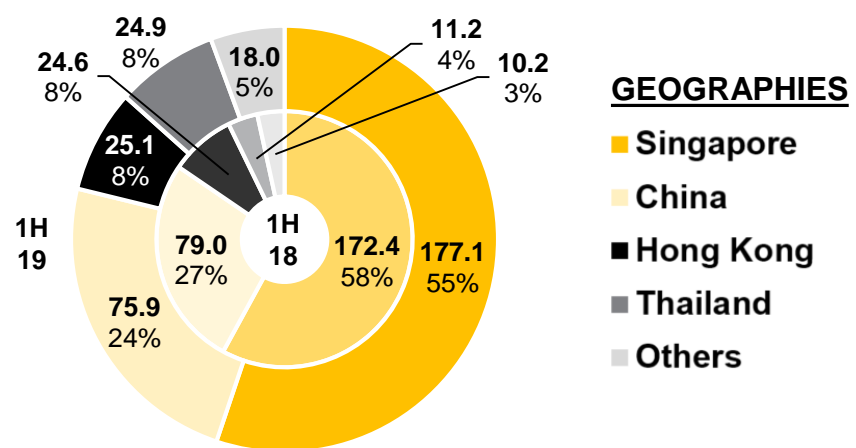
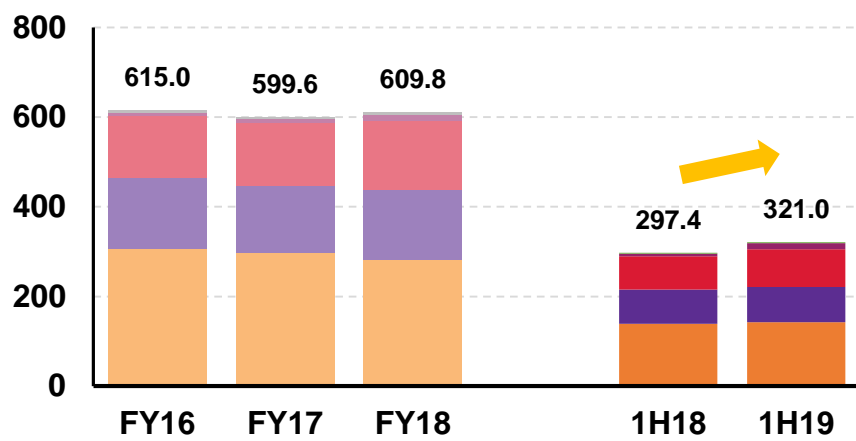
S\$	REVENUE	EBITDA	PATMI	CORE F&B PATMI
<b>2Q</b>	<b>163.3</b> million	<b>49.7</b> million	<b>1.0</b> million	<b>1.0</b> million
<b>2019</b>	9.8 % ▲	174.8 % ▲	- 57.9 % ▼	- 57.9 % ▼
<b>1H</b>	<b>321.0</b> million	<b>96.8</b> Million	<b>2.3</b> million	<b>2.3</b> million
<b>2019</b>	7.9 % ▲	181.5 % ▲	- 35.3 % ▼	- 35.3 % ▼

## REVENUE and PBT

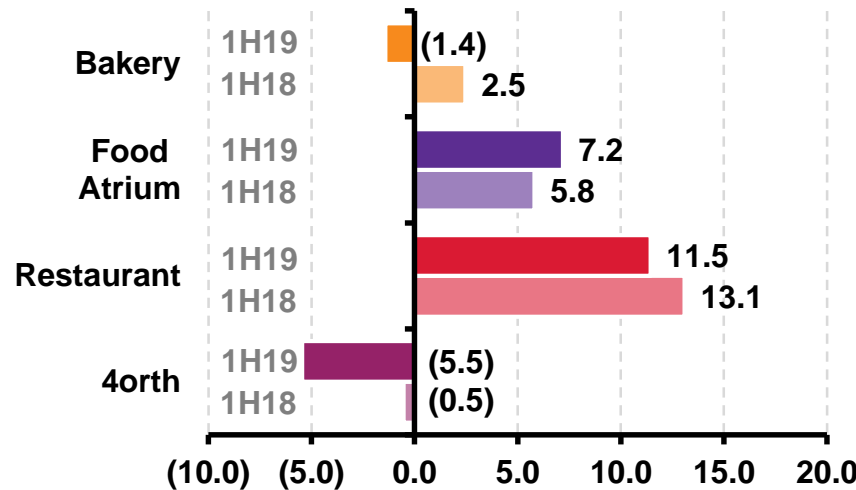
**1H19 REVENUE (S\$ m)      S\$321.0m**



**REVENUE GROWTH (S\$ m)      7.9% Y-o-Y**



**1H19 PBT (S\$ m)      S\$8.7m**



## 2Q19 Financial Highlights

# FINANCIAL PERFORMANCE

S\$ Million	2Q19	2Q18	Y-o-Y	1H19	1H18	Y-o-Y
<b>Revenue</b>	<b>163.3</b>	<b>148.8</b>	<b>9.8%</b>	<b>321.0</b>	<b>297.4</b>	<b>7.9%</b>
Bakery	70.8	68.6	3.3%	142.8	139.0	2.8%
Food Atrium	39.6	38.8	2.0%	78.3	76.3	2.5%
Restaurant	44.0	37.3	18.2%	84.5	74.1	14.0%
4orth	7.8	3.0	157.8%	13.2	5.7	131.8%
Others	1.1	1.1	- 2.5%	2.1	2.2	- 3.8%
<b>EBITDA</b>	<b>49.7</b>	<b>18.1</b>	<b>174.8%</b>	<b>96.8</b>	<b>34.4</b>	<b>181.5%</b>
Bakery	12.7	4.1	207.0%	27.1	7.9	242.3%
Food Atrium	22.9	7.7	197.9%	43.1	13.0	232.1%
Restaurant	14.9	7.1	110.9%	25.4	15.8	61.2%
4orth	(0.8)	(0.1)	644.5%	(1.3)	(0.2)	496.3%
Others	(0.1)	(0.7)	- 91.6%	2.5	(2.0)	n.m.
<b>EBITDA Margin (%)</b>	<b>30.4%</b>	<b>12.1%</b>	<b>+ 18.3 ppt</b>	<b>30.2%</b>	<b>11.6%</b>	<b>+ 18.6 ppt</b>
Bakery	17.9%	6.0%	+ 11.9 ppt	18.9%	5.7%	+ 13.3 ppt
Food Atrium	57.9%	19.8%	+ 38.1 ppt	55.1%	17.0%	+ 38.1 ppt
Restaurant	33.9%	19.0%	+ 14.9 ppt	30.0%	21.2%	+ 8.8 ppt
4orth	- 10.5%	- 3.6%	- 6.9 ppt	- 9.7%	- 3.8%	- 5.9 ppt

## 2Q19 Financial Highlights

# FINANCIAL PERFORMANCE

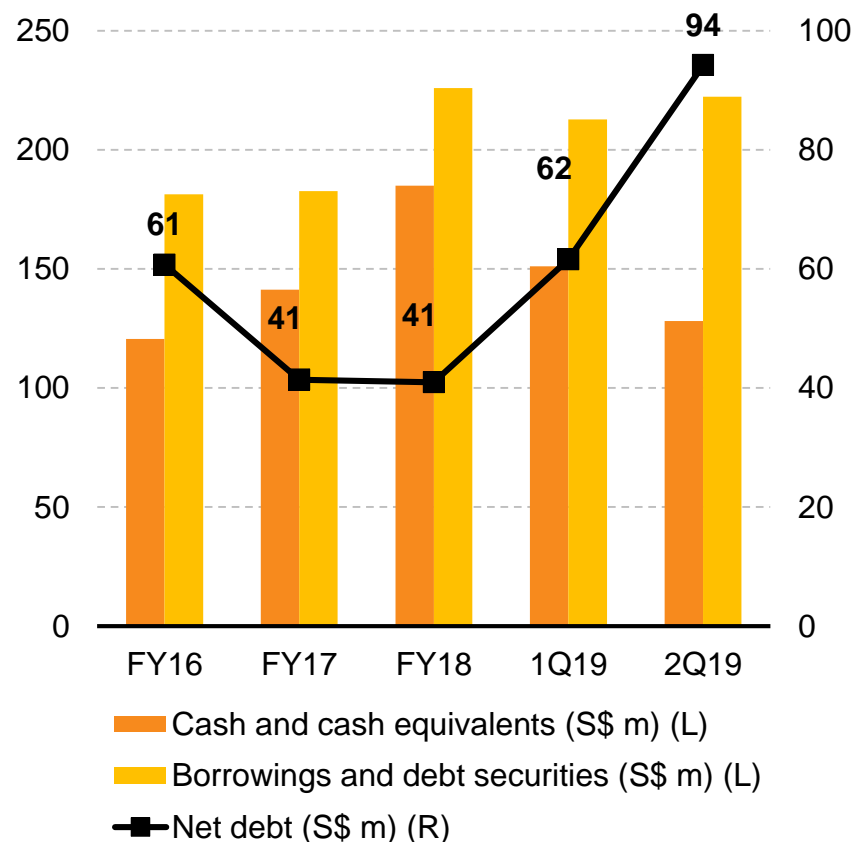
S\$ Million	2Q19	2Q18	Y-o-Y	1H19	1H18	Y-o-Y
<b>Profit Before Tax ("PBT")</b>	<b>5.0</b>	<b>7.0</b>	<b>- 28.7%</b>	<b>8.7</b>	<b>13.0</b>	<b>- 33.4%</b>
Bakery	(1.9)	1.5	n.m.	(1.4)	2.5	n.m.
Food Atrium	4.2	3.7	12.6%	7.2	5.8	23.8%
Restaurant	7.8	5.7	37.2%	11.5	13.1	- 12.6%
4orth	(3.2)	(0.2)	n.m.	(5.5)	(0.5)	907.9%
Others	(1.9)	(3.7)	- 48.2%	(3.1)	(7.8)	- 60.2%
<b>PBT Margin (%)</b>	<b>3.1%</b>	<b>4.7%</b>	<b>- 1.7 ppt</b>	<b>2.7%</b>	<b>4.4%</b>	<b>- 1.7 ppt</b>
Bakery	- 2.7%	2.2%	n.m.	- 1.0%	1.8%	n.m.
Food Atrium	10.5%	9.6%	+ 1.0 ppt	9.2%	7.6%	+ 1.6 ppt
Restaurant	17.7%	15.3%	+ 2.5 ppt	13.5%	17.7%	- 4.1 ppt
4orth	- 41.0%	- 7.0%	- 34.0 ppt	- 41.2%	- 9.5%	- 31.7 ppt
<b>PATMI</b>	<b>1.0</b>	<b>2.4</b>	<b>- 57.9%</b>	<b>2.3</b>	<b>3.6</b>	<b>- 35.3%</b>
<b>PATMI Margin (%)</b>	<b>0.6%</b>	<b>1.6%</b>	<b>- 1.0 ppt</b>	<b>0.7%</b>	<b>1.2%</b>	<b>- 0.5 ppt</b>
<b>Core F&amp;B PATMI</b>	<b>1.0</b>	<b>2.4</b>	<b>- 57.9%</b>	<b>2.3</b>	<b>3.6</b>	<b>- 35.3%</b>
<b>Core F&amp;B PATMI Margin (%)</b>	<b>0.6%</b>	<b>1.6%</b>	<b>- 1.0 ppt</b>	<b>0.7%</b>	<b>1.2%</b>	<b>- 0.5 ppt</b>
<b>EPS (cents)</b>	<b>0.18</b>	<b>0.43</b>	<b>- 58.1%</b>	<b>0.41</b>	<b>0.64</b>	<b>- 35.9%</b>
<b>DPS (cents)</b>	<b>0.50</b>	<b>0.50</b>	<b>0.0%</b>	<b>0.50</b>	<b>0.50</b>	<b>0.0%</b>

## FINANCIAL POSITION

### BALANCE SHEET Highlights

S\$ Million	2Q19	FY18
<b>Total assets</b>	<b>977</b>	<b>609</b>
Cash and cash equivalents	128	185
Trade and other receivables	70	58
Inventories	16	11
Investment securities	-	5
Other current assets	11	9
<b>Current assets</b>	<b>226</b>	<b>268</b>
Property, plant and equipment	186	173
Right-of-use assets	382	-
Investment securities	103	83
<b>Non-current assets</b>	<b>751</b>	<b>340</b>
<b>Total liabilities</b>	<b>831</b>	<b>446</b>
Trade and other payables	95	98
Lease liabilities	129	-
<b>Current liabilities</b>	<b>391</b>	<b>305</b>
Lease liabilities	266	-
<b>Non-current liabilities</b>	<b>440</b>	<b>141</b>
<b>Borrowings and debt securities</b>	<b>222</b>	<b>226</b>
Short term	54	98
Long term	169	128
<b>Net debt</b>	<b>94</b>	<b>41</b>

### NET DEBT Position





# CASH FLOWS and KEY INDICATORS

## CASH FLOWS

S\$ Million	1H19	1H18
Operating cash flow before working capital changes	98	37
<b>Net cash flow from operating activities</b>	<b>38</b>	<b>16</b>
Capital expenditure	(24)	(14)
<b>Net cash flow used in investing activities</b>	<b>(38)</b>	<b>(12)</b>
Free cash flow	13	2
Net (decrease) / increase in bank borrowings	(4)	74
<b>Net cash flow (used in) / from financing activities</b>	<b>(57)</b>	<b>60</b>
<b>Net cash flow</b>	<b>(57)</b>	<b>65</b>

## FINANCIAL INDICATORS

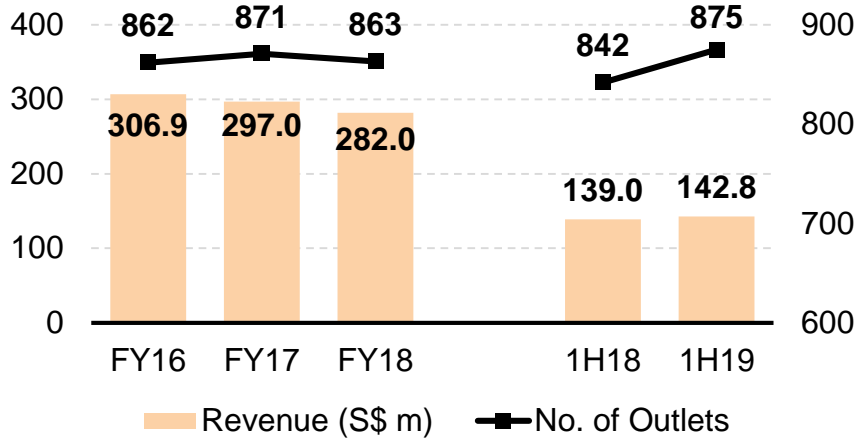
Ratios	2Q19	FY18
<b>Turnover Days</b>		
Trade Receivables Turnover		
- Franchisee	103.6	90.8
- Non Franchisee	2.2	2.5
Total Receivables Turnover	7.5	7.3
Inventory Turnover	29.4	28.1
Trade Payables Turnover	35.8	29.3
Cash Conversion Cycle	1.1	6.0
<b>Liquidity Ratios</b>		
Current Ratio	0.58 x	0.88 x
Quick Ratio	0.54 x	0.84 x
<b>Debt Ratios</b>		
Net Debt / Shareholder's Equity	0.82 x	0.31 x
Total Debt / Shareholder's Equity	1.93 x	1.69 x
EBITDA / Interest expense	8.51 x	8.71 x

# Business Overview

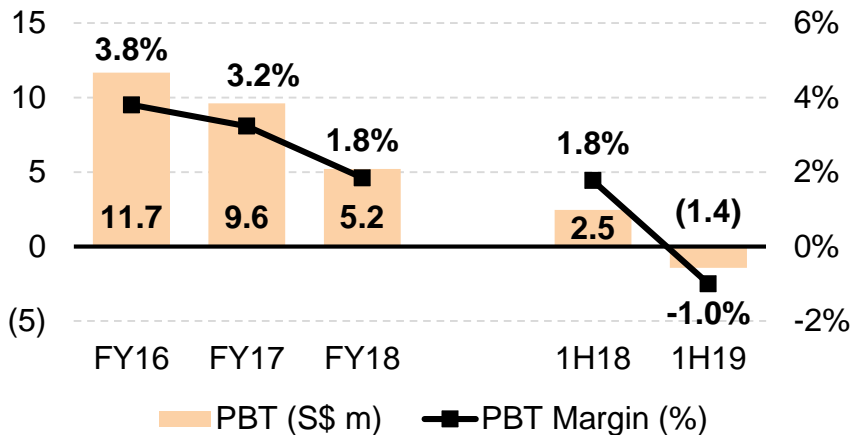
## BAKERY DIVISION



### REVENUE and OUTLET Growth

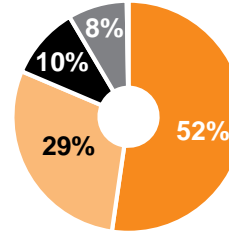


### PBT and PBT Margin

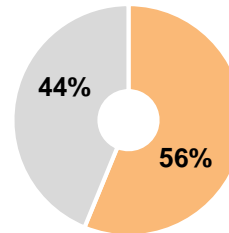


### 1H19 REVENUE

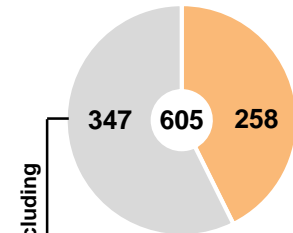
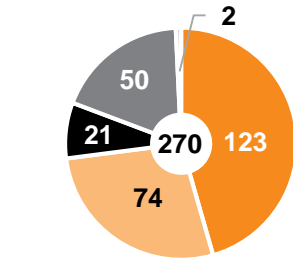
#### Direct Operated Stores



#### Franchise



### 1H19 OUTLETS



Including

- Indonesia: 197
- Philippines: 61

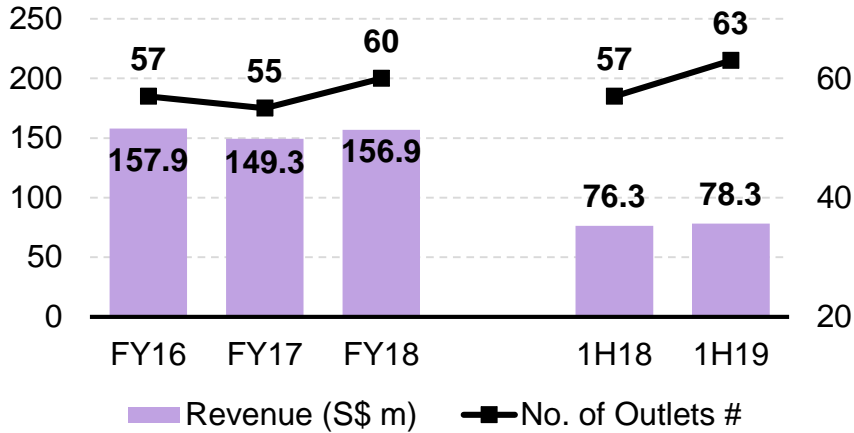
- Singapore
- China
- Hong Kong
- Thailand
- Others

\* Others: Indonesia, Philippines, Vietnam, Sri Lanka, Cambodia, KSA West, Kuwait, Bahrain, Myanmar, Malaysia and India.

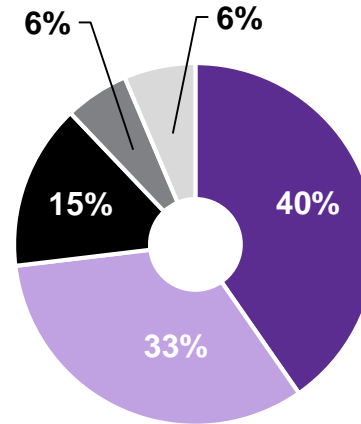




## REVENUE and OUTLET Growth

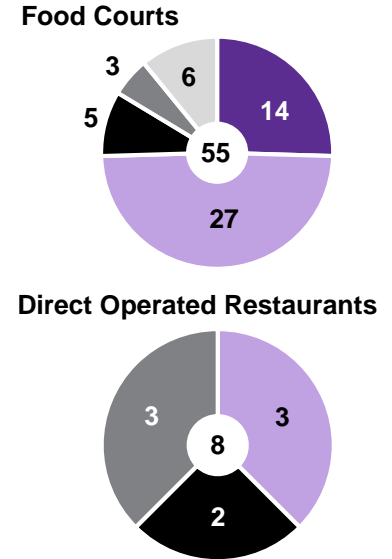


## 1H19 REVENUE



- Singapore
- China
- Hong Kong
- Thailand
- Others\*

## 1H19 OUTLETS

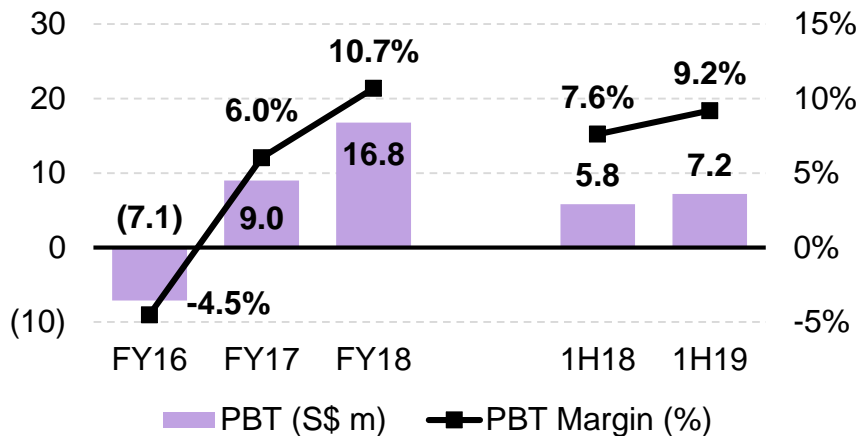


**foodrepublic** 大食代

**FOOD OPERA** 食代館

\* Others: Taiwan, Malaysia and Cambodia  
 # Comprise Food Courts and Direct Operated Restaurants

## PBT and PBT Margin

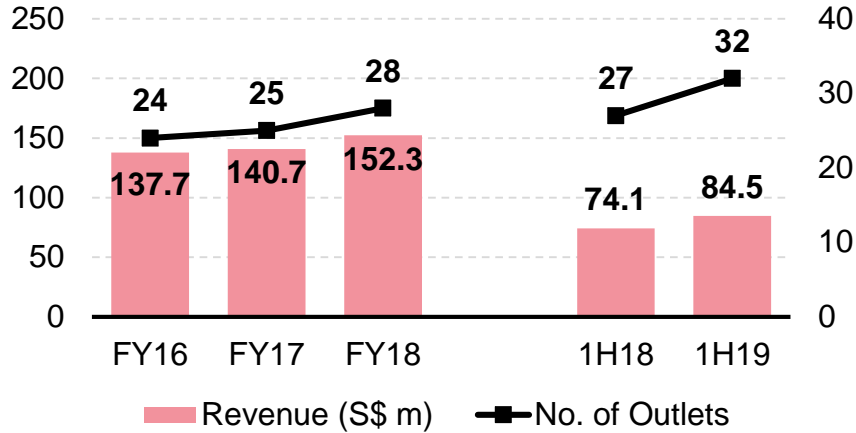


# Business Overview

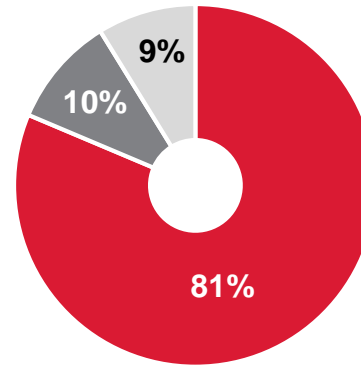
## RESTAURANT DIVISION



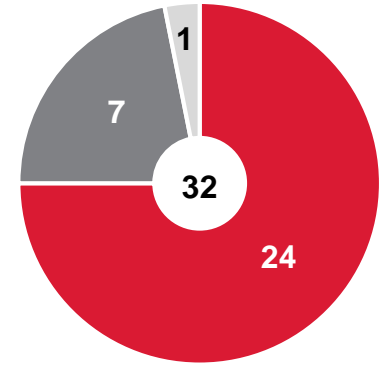
### REVENUE and OUTLET Growth



### 1H19 REVENUE



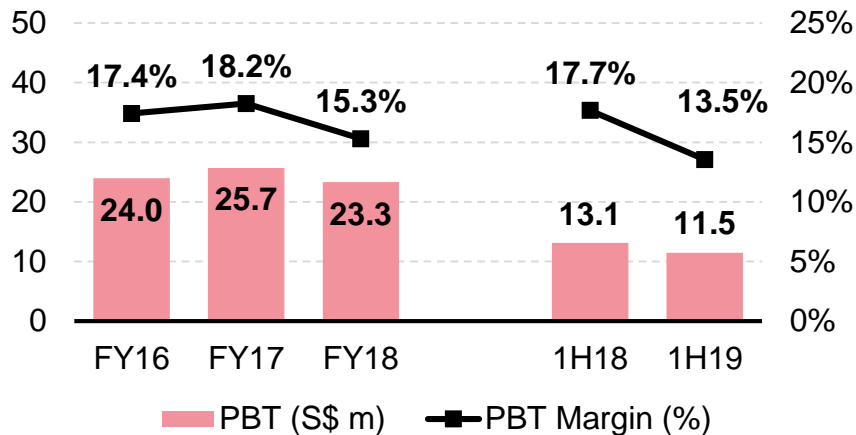
### 1H19 OUTLETS



- Singapore
- Thailand
- United Kingdom



### PBT and PBT Margin

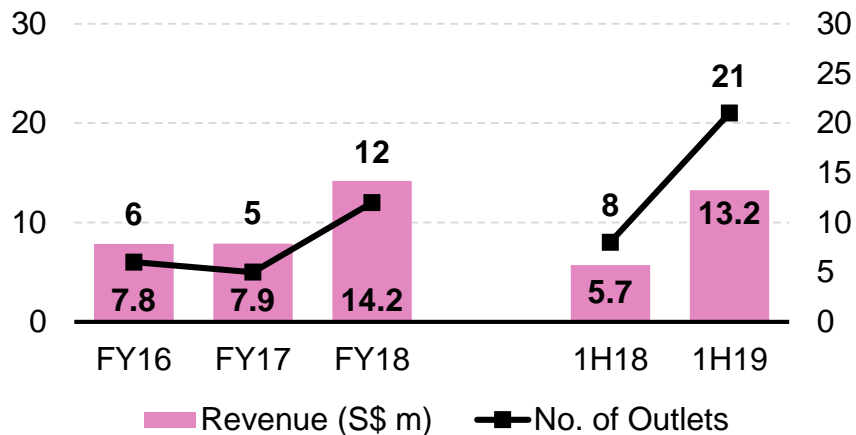


# Business Overview

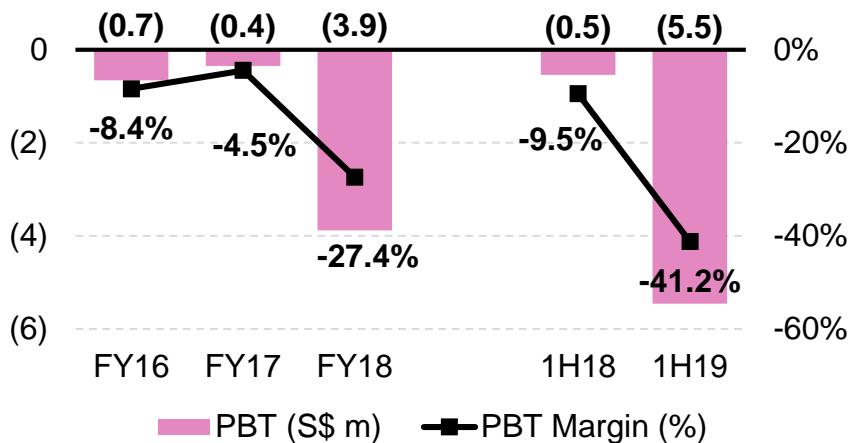
## 4ORTH DIVISION



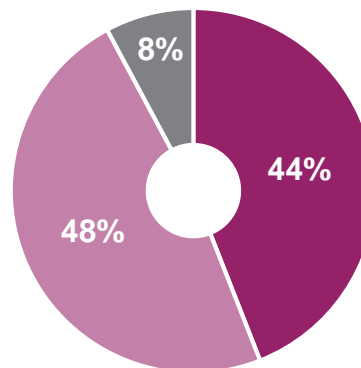
### REVENUE and OUTLET Growth



### PBT and PBT Margin



### 1H19 REVENUE



■ Singapore  
■ China  
■ Thailand

### 1H19 OUTLETS



**Total: 21 Outlets**

# THANK YOU

**For enquiries, please contact:**

**CHAN Ying Jian**

Group Chief Financial Officer

**POH Kah Hwee**

Investor Relations

**T : +65 6285 6116**

**E : [ir@breadtalk.com](mailto:ir@breadtalk.com)**